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JUN 22 2010**THIRD AMENDMENT OF LEASE AND OPERATING AGREEMENT****Parties:**

FEDERAL MARITIME COURT

201118-003

Philadelphia Regional Port Authority &  
3460 N. Delaware Avenue, 2<sup>nd</sup> Floor  
Philadelphia, PA 19134 ("Lessor")

Penn Warehousing & Distribution, Inc.  
2147 S. Columbus Boulevard  
Philadelphia, PA 19148 ("Lessee")

**Lease History:**

Lease &amp; Operating Agreement

**Filed with FMC**

April 5, 2001

**FMC Reference No:**

201118

First Amendment:

May 1, 2008

201118-001

Second Amendment:

January 29, 2010

201118-002

The Lease & Operating Agreement, as amended, is hereinafter collectively referred to as the "Lease".

The Lease Year in effect at this time is the period of April 1, 2010 through March 31, 2011.

**Background:**

In April of 2008, PRPA contracted for the installation of Dual Pallet Drive-In Racking at Pier 82 South ("Initial Racking"). The purpose of this amendment is to add additional galvanized racks to Leasehold.

**NOW, THEREFORE**, intending to be legally bound hereby and in exchange for good, valuable and sufficient consideration, Lessor and Lessee covenant and agree as follows:

1. **Effective Date.** This Third Amendment to Lease and Operating Agreement ("Amendment") shall become effective on the date on which an executed copy hereof is filed with the FMC in accordance with the Shipping Act of 1984. Lessor shall cause this Amendment to be filed with the FMC promptly following the execution and delivery hereof.

2. **Definitions.** Unless otherwise defined in this Amendment, all terms defined in the Lease shall have the meanings ascribed to them in the Lease when used in this Amendment.

3. **Preamble.** The third paragraph of the Preamble to the amended and Restated Lease and Operating Agreement dated March 12, 2001 is replaced with:

WHEREAS, Lessor wishes to lease to Lessee for a Maritime-related use in connection with the docking and mooring of vessels for the receiving, shipping, warehousing, distributing, moving, loading and unloading of waterborne cargoes and incidental activities related thereto, and lessee wishes to lease from Lessor for said maritime-related use, Pier 82 South, as shown on Exhibit A attached hereto and made a part hereof, including but not limited to, the shed situated thereon divided into a heated portion designated as Section "H" on Exhibit A, and a refrigerated portion designated as Section "R" on Exhibit "A" appurtenant aprons, reefer outlets, and tow berthing areas (the "Premises"); and

4. **Base Rent; Additional Rent, Fees, Incentives.** A new Section 3.1.5 is hereby added to the Lease as follows:

3.1.5 **Additional Rental for Additional Improvements.** Commencing on May 1, 2010 and for the period of May 1, 2010 through April 30, 2017 (“**Additional Improvements Payment Term**”), Lessee shall pay to Lessor as additional rent a sum equal to Five Thousand Three Hundred Fifty Seven Dollars and Eight Cents (\$5,357.08). In the event the cost of the Additional Lessor Improvements exceeds Seven Hundred Thirty Two Thousand Nine Hundred and Ninety-Five Dollars (\$732,995.00), Lessee agrees to pay for the amount in excess of said amount in equal monthly installments over the remainder of the Additional Improvements Payment Term in additional rent stated above. In addition, if, in the event, the installation of the Additional Lessor Improvements are delayed as a result of Lessee’s actions or operations, Lessee agrees to pay for any increase in the contract for the installation of Additional Lessor Improvements that resulted from such delay.

5. **Additional Improvements to be made by Lessor.** A new Section 6.14 is hereby added to the Lease as follows:

6.14. **Additional Improvements to Be Made by Lessor.** Lessor agrees to make the following additional improvements to the Premises (the “**Additional Lessor Improvements**”):

Install a Pallet Racking System, as set forth in Lessor’s Contract for PRPA Project #09-122.P for the engineering, supply and install and provide management services for a Dual Wide Pallet Drive-In Galvanized Racking System designed to store two (2) pallets wide and two (2) pallets high utilizing the floor and one (1) arm level to hold 2052 pallets in rooms A, B, C, D and F.

6. **Preservation of Remedy.** In order to reserve to Lessor the benefit of the remedy of confession of judgment in ejectment set forth in Section 14.1.1 of the Lease, Lessee agrees as follows:

When the Lease shall have terminated (whether pursuant to Article 14 of the Lease or otherwise) and also when and as soon as the term of the Lease shall have expired, it shall be lawful for any attorney, as attorney for Lessee, and without liability to Lessee, to appear for Lessee in any competent court and there to confess judgment in ejectment against Lessee and all persons claiming by, through or under Lessee, without any stay of execution or appeal, for the recovery by Lessor of possession of the Premises, for which

this Amendment or a copy hereof shall be a sufficient warrant, whereupon, if Lessor so desires, a writ of possession may issue forthwith without any prior writ or proceedings whatsoever, and if for any reason after such action has been commenced or judgment confessed as aforesaid, the same shall be discontinued and possession of the Premises remain in or be restored to Lessee, Lessor shall have the right upon any subsequent defaults or terminations of this Lease to confess judgment in ejectment one or more further times in the manner and form as hereinbefore set forth, without liability to Lessee, in order to recover possession of the Premises for such subsequent default or as a result of such subsequent termination.

**THIS SECTION 5 OF THIS AMENDMENT PROVIDES FOR THE CONFESSION OF JUDGMENT AGAINST LESSEE IN EJECTMENT. IN CONNECTION THEREWITH, LESSEE KNOWINGLY, VOLUNTARILY, INTENTIONALLY AND UPON ADVICE OF SEPARATE COUNSEL, UNCONDITIONALLY WAIVES ANY AND ALL RIGHTS IT MAY HAVE TO PRIOR NOTICE AND AN OPPORTUNITY FOR HEARING UNDER THE RESPECTIVE CONSTITUTIONS AND LAWS OF THE UNITED STATES AND THE COMMONWEALTH OF PENNSYLVANIA. WITHOUT LIMITATION OF THE FOREGOING, LESSEE HEREBY SPECIFICALLY WAIVES ALL RIGHTS LESSEE HAS OR MAY HAVE TO NOTICE AND OPPORTUNITY FOR A HEARING PRIOR TO EXECUTION UPON ANY JUDGMENT CONFESSED AGAINST LESSEE BY LESSOR HEREUNDER.**

**LESSEE (I) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF LESSOR HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT LESSOR WILL NOT SEEK TO EXERCISE OR ENFORCE ITS RIGHTS TO CONFESS JUDGMENT HEREUNDER, AND (II) ACKNOWLEDGES THAT THE EXECUTION OF THIS AMENDMENT BY LESSOR HAS BEEN MATERIALLY INDUCED BY, AMONG OTHER THINGS, THE INCLUSION IN THIS AMENDMENT OF SAID RIGHT TO CONFESS JUDGMENT AGAINST LESSEE. LESSEE FURTHER ACKNOWLEDGES THAT IT HAS HAD THE OPPORTUNITY TO DISCUSS SAID PROVISIONS WITH LESSEE'S INDEPENDENT LEGAL COUNSEL AND THAT THE MEANING AND EFFECT OF SUCH PROVISIONS HAVE BEEN FULLY EXPLAINED TO LESSEE BY SUCH COUNSEL, AND AS EVIDENCE OF SUCH FACT AN AUTHORIZED OFFICER OF LESSEE SIGNS HIS OR HER INITIALS IN THE SPACE PROVIDED BELOW.**

\_\_\_\_\_ (Initials)

7. Lease Remains in Effect. The Lease, as amended hereby, shall remain in full force and effect and time remains of the essence of the Lease and this Amendment. In the event of any conflict or any inconsistencies between the terms of the Lease and the terms of this Amendment, the terms of this Amendment shall govern and control.

8. Execution in Counterparts. This Amendment may be executed in counterparts, each of which shall be deemed to be an original as against any party whose signature appears thereon and all of which shall constitute one and the same instrument.


IN WITNESS WHEREOF, the parties have executed this Fourth Amendment as of the date first above written.

PENN WAREHOUSING &  
DISTRIBUTION, INC.

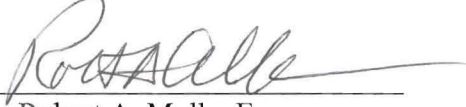
By:   
Name:  
Title:

Approved as to Legality  
and Form:

PHILADELPHIA REGIONAL  
PORT AUTHORITY

By:   
Name: Gregory V. Iannarelli, Esq.  
Title: Chief Counsel

OFFICE OF THE ATTORNEY  
GENERAL

By:   
Name: Robert A. Mulle, Esq.  
Title: Chief Deputy Attorney General

PHILADELPHIA REGIONAL  
PORT AUTHORITY

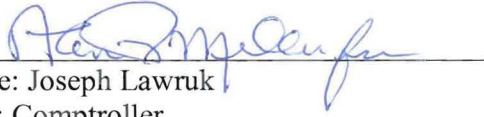
By:   
Name: James T. McDermott, Jr.  
Title: Executive Director

Approved as to Propriety and  
Availability of Funds:

PHILADELPHIA REGIONAL  
PORT AUTHORITY

By:   
Name: Edward G. Henderson  
Title: Director of Finance & Capital Funding

OFFICE OF THE BUDGET

By:   
Name: Joseph Lawruk  
Title: Comptroller